

**CITY OF AVON LAKE LANDFILL
LORAIN COUNTY, OHIO**

**REPORT ON APPLYING
AGREED-UPON PROCEDURES**

**FOR THE YEAR ENDED
DECEMBER 31, 2013**

James G. Zupka, CPA, Inc.
Certified Public Accountants



Dave Yost • Auditor of State

City Council
City of Avon Lake Landfill
150 Avon Belden Road
Avon Lake, OH 44012

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the City of Avon Lake Landfill, Lorain County, prepared by James G. Zupka, CPA, Inc., for the period January 1, 2013 through December 31, 2013. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Avon Lake Landfill is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

August 4, 2014

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**CITY OF AVON LAKE LANDFILL
LORAIN COUNTY, OHIO
REPORT ON APPLYING AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2013**

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Accountants' Report on Applying Agreed-Upon Procedures	1-2
Letter from Director of Finance	3-4

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JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

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Ohio Society of Certified Public Accountants

**INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES**

City of Avon Lake
Avon Lake, Ohio

Mr. Scott J. Nally
Ohio Environmental Protection Agency

We have audited, in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the City of Avon Lake, Lorain County, Ohio (the City), for the year ended December 31, 2013, and have separately issued our unmodified report thereon dated July 16, 2014.

In a letter to the Ohio Environmental Protection Agency dated July 16, 2014 (the Letter), Steve Presley, Director of Finance of the City of Avon Lake, Ohio's Sanitary Landfill, specified that certain amounts disclosed in that Letter were derived from the independently audited financial statements referred to in the first paragraph above.

We have performed the procedures described below as agreed to by the City of Avon Lake, Ohio, and by the Ohio Environmental Protection Agency, solely to assist you in determining that certain amounts reported in the Letter agreed to, or can be computed from, amounts presented in the audited basic financial statements. The City of Avon Lake, Ohio's management is responsible for the information presented in the Letter. We followed the American Institute of Certified Public Accountants' attestation standards for agreed-upon procedures engagements and applicable attestation engagement standards included in *Government Auditing Standards*, issued by the Comptroller General of the United States. The sufficiency of the procedures is solely the responsibility of the addressees. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

As required by Ohio Administrative Code Sections 3745-27-15(L)(5)c and 3745-27-16(L)(5)c, we have agreed the following amounts included in the Letter to the audited financial statements.

Alternative 11, Line No.

5	Total assured environmental costs	\$ 590,381
6	Total annual revenue	\$ 36,921,337

The amount on line 6 agrees to the basic fund financial statements of the City, or can be computed from amounts appearing therein. We followed the definitions for line 6 included in the *State Support Document for the Local Government Financial Test*, issued November 27, 1996 by the USEPA. Line 5 includes total assured environmental costs reported in the fund financial statements following Governmental Accounting Statement Number 18.

We were not engaged to, and did not conduct an examination, the objective of which would be to express an opinion on the Letter. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that we would have reported to you.

This report is intended solely for the information and use of the addressees listed above and should not be used by anyone else.

James G. Zupka, CPA, Inc.

James G. Zupka, CPA, Inc.
Certified Public Accountants

July 16, 2014



CITY OF AVON LAKE, OHIO

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Building Department
930-4102

Civil Service Commission
933-6141

Clerk of Council
930-4121

Council President
930-4120

Engineering Department
930-4101

Finance Department
930-4124

Fire Department
933-8305

Human Resources
933-6141

Law Director
930-4122

Mayor's Office
930-4100

Municipal Court
930-4103

Municipal Utilities
933-6226

Planning Department
930-4101

Police Department
933-4567

Recreation Department
930-4130

Service Department
930-4126

Zoning Department
930-4143

July 16, 2014

Scott J. Nally, Director
Ohio Environmental Protection Agency
P.O. Box 1049
Columbus, OH 43216-1049

Letter from Chief Financial Officer

Dear Mr. Nally:

I am the Chief Financial Officer of the City of Avon Lake, 150 Avon Belden Road, Avon Lake, Ohio. This letter is in support of this local government's use of the financial test to demonstrate financial assurance, as specified in Chapter 3745-27 of the Administrative Code.

1. This local government is the owner or operator of the following facilities for which financial assurance for final closure, post-closure care or corrective measures is demonstrated through the financial test specified in Chapter 3745-27 of the Administrative Code and/or this local government is the owner or operator of the following facilities for which financial assurance for any other environmental obligations are assured by a financial test. The current final closure, post-closure, and/or corrective measures cost estimates, and any other environmental obligations provided for by a test are shown:

City of Avon Lake Sanitary Landfill
750 Avon Belden Road
Avon Lake, OH 44012
Lorain County

Current final closure cost estimate:	\$ 0
Current post-closure cost estimate:	\$590,381

2. This local government is the owner or operator of the following facilities for which financial assurance for final closure, or, if a sanitary landfill facility, post-closure care or corrective measures, is not demonstrated to the Ohio Environmental Protection Agency through the financial test or any other financial assurance mechanism specified in Chapter 3745-27 of the Administrative Code. The current final closure, post-closure care, and/or corrective measures cost estimates not covered by such financial assurance are shown for each facility: None.

The fiscal year of this local government ends on December 31. The figures for the following items marked with an asterisk are derived from this local government's independently audited, year-end financial statements for the most recently completed fiscal year, ended December 31, 2013.

ALTERNATIVE II

1. Sum of current final closure, post-closure, and/or corrective measures cost estimates and any other environmental obligations assured by a financial test (total of all cost estimates shown in the two paragraphs above): \$590,381*
2. Current bond rating of most recent issuance and name of rating service: Aa2: Moody's Investors Service
3. Date of issuance of bond: July 12, 2012
4. Date of maturity of bond: December 1, 2028
5. Total assured environmental costs: \$590,381*
6. Total annual revenue: \$36,921,337*
7. Is line 5 divided by line 6 less than or equal to 0.43? Yes

I hereby certify that the wording of this letter is identical to the wording specified in paragraph (H) of rule 3745-27-17 of the Administrative Code as such rule was constituted on the date shown immediately below. I further certify the following: (1) that the local government's financial statements are prepared in conformity with generally accepted accounting principles for governments; (2) that the local government has not operated at a deficit equal to five per cent or more of total annual revenue in either of the past two fiscal years; (3) that the local government is not in default on any outstanding general obligation bonds; and, (4) that the local government does not have outstanding general obligations rated less than BBB as issued by "Standard and Poor's" or Baa as issued by "Moody's."



Steven J. Presley,
Director of Finance
City of Avon Lake



Dave Yost • Auditor of State

CITY OF AVON LAKE LANDFILL

LORAIN COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
SEPTEMBER 16, 2014**